



Company Information

BOARD OF DIRECTORS

Shri Vedprakash D. Chiripal *Chairman*
 Shri Brijmohan D. Chiripal *Managing Director*
 Shri Gautam C. Gandhi *Director*
 Shri Ambalal C. Patel *Director*

Shri Deepak J. Chiripal *Chief Executive Officer*

BANKERS

State Bank of India
 State Bank of Hyderabad
 Syndicate Bank
 Oriental Bank of Commerce
 State Bank of Travancore
 United Bank of India
 Karur Vysya Bank
 Bank of Maharashtra
 UCO Bank
 Dena Bank
 Laxmi Vilas Bank

REGISTERED OFFICE & PLANT

Survey No. 198/1, 203/2,
 Saijpur-Gopalpur, Pirana Road,
 Piplej, Ahmedabad - 382405

CORPORATE OFFICE

"Chiripal House",
 Shivranjani Cross Roads,
 Satellite Road, Ahmedabad - 380015.
 Tel : 91-079-26734660-2-3
 Fax : 91-079-26768656

COMMITTEES OF BOARD :-

AUDIT COMMITTEE

Shri Ambalal C. Patel *Chairman*
 Shri Vedprakash D. Chiripal *Member*
 Shri Gautam C. Gandhi *Member*

REMUNERATION COMMITTEE

Shri Ambalal C. Patel *Chairman*
 Shri Vedprakash D. Chiripal *Member*

SHAREHOLDERS GRIEVANCE COMMITTEE

Shri Gautam C. Gandhi *Chairman*
 Shri Vedprakash D. Chiripal *Member*

RIGHTS ISSUE COMMITTEE

Shri Vedprakash D. Chiripal *Chairman*
 Shri Brijmohan D. Chiripal *Member*
 Shri Ambalal C. Patel *Member*

AUDITORS

M/s J.T. Shah & Co.,
 Chartered Accountants,
 201/202, Lalita Complex,
 Nr. Mithakhali Cross Roads,
 Navrangpura, Ahmedabad - 380 009

REGISTRAR & TRANSFER AGENT

Datamatics Financial Services Ltd.
 Plot No. B5, Part B Cross Lane,
 MIDC, Andheri (E), Mumbai - 400 093
 Tel. No.: 022-66712150-51, 66712237
 Fax No.: 022-66712230
 Email : investorqry@dfssl.com

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NANDAN EXIM LIMITED



NOTICE

Notice is hereby given that the **15th Annual General Meeting** of the Members of the Company will be held on **Friday, 25th September 2009** at 3.30 P.M at Survey No. 198/1 & 203/2, Saijpur- Gopalpur, Pirana Road, Piplej, Ahmedabad – 382 405, to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2009 and Profit and Loss Account for the year ended on that date together with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Ambalal C Patel who retires by rotation and being eligible offers himself for reappointment.
3. To appoint auditors M/s. J T Shah & Co., Chartered Accountants to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

By Order of the Board of Directors

Date :- 31/07/2009
Place:- Ahmedabad

Vedprakash D. Chiripal
Chairman

NOTES:

1. **A MEMBER IS ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIS/ HER SELF AND PROXY NEED NOT BE A MEMBER.**

IN ORDER THAT THE PROXIES TO BE EFFECTIVE, THE PROXY FORMS SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE ON OR BEFORE 48 HOURS FROM THE DATE OF HOLDING OF THE MEETING.

2. Members are requested to notify changes in address, if any, immediately to the Company at its registered office quoting their Folio Numbers.
3. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company during office hours on all working days except Sundays between 11.00 a.m and 1.00 p.m upto the date of the ensuing Annual General Meeting.
4. Members / Proxies should fill the Attendance Slip for attending the Meeting; Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Number for easy identification for attendance at the Meeting.
5. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in order of the names will be entitled to vote.
6. The Register of Members and Share Transfer Register shall remain closed for registering share transfer from Saturday, 29th August, 2009 to Monday, 31st August, 2009 (both days inclusive).

By Order of the Board of Directors

Date :- 31/07/2009
Place:- Ahmedabad

Vedprakash D. Chiripal
Chairman

Brief resume and other information in respect of Shri Ambalal C Patel, Director seeking re-appointment at the Annual General Meeting:

Shri. Ambalal C Patel, aged 63 years, is an Independent Director of Nandan Exim Ltd. He is an engineering graduate and has obtained his Bachelor of Engineering (Metallurgy) degree from the Indian Institute of Science, Bangalore. He has vast experience in project evaluation and project finance. During the tenure from 1973 to 2004, Mr. Ambalal Patel worked with Gujarat Industrial and Investment Corporation (GIIC). He joined GIIC as a Technical Advisor and later served as a Deputy General Manager. He has vast experience in advising regarding financial matters and project appraisal.



NANDAN EXIM LIMITED

DIRECTORS' REPORT

To,
The Members
NANDAN EXIM LIMITED.

Your Directors have pleasure in presenting their 15th Annual Report together with the Audited Financial Statements for the year ended 31st March, 2009 to the extended family of the shareholders and other stakeholders of the Company.

FINANCIAL HIGHLIGHTS:

(Rs. in Lacs)

FINANCIAL RESULTS	Current Year 2008-09	Previous Year 2007-08
Sales	32144.04	28911.42
Profit: Before Depreciation	2103.99	2841.14
Less: Depreciation	2207.86	1628.31
Profit: After Depreciation	(103.87)	1212.83
Less: Prior Period Items	37.61	(7.58)
Profit: Before Taxation	(141.48)	1220.40
Less: Provision For Taxation	20.50	149.50
Less: Provision For Deferred Tax	(21.76)	421.75
PROFIT FOR THE YEAR	(140.22)	649.15
Appropriations / Adjustments		
Balance of profit / (loss) brought forward	3300.05	2650.89
Interim Dividend	—	—
Proposed Final Dividend	—	—
Corporate Dividend Tax (including cess and surcharge)	—	—
General Reserves	—	—
Profit carried to Balance Sheet	3159.82	3300.05

PERFORMANCE:

The turn-over of the Company during the year under review has reached to 321.44 crores, which shows the growth of 11% over the previous year turnover of Rs.289.12 crores. The profit before depreciation and taxes stood at Rs.21.04 crores for the year 2008-09 as compared to Rs.28.41 crores over the previous year. The Company has incurred a loss of Rs.1.40 crores during the year under review over the previous year, profit of Rs.6.49 crores. Your Directors state that the year 2008-09 was in the grip of recession in all over the world and all the segment of Industries were badly affected, resulting into downward performance. Further, during the year under review, one of the major unforeseen event of fire occurred at the factory premises resulting into a heavy loss of cotton stock and the company has during the year under review provided a loss of Rs.11.16 crores, which has also effected over-all performance of the Company. However, your Directors expect to improve the over-all demand in both Domestic and International market during the current financial year and the textile industry, most particularly, in Denim Industries has turned back towards the upward trend after the recessionary condition prevailed during the year under review. Your Directors expect better performance of the Company during the current financial year 2009-10.

DIVIDEND:

During the year, the Company has incurred the loss of Rs.1.40 crores. Therefore, your Directors have not recommended the dividend for the financial year ended 31.3.2009.

NANDAN EXIM LIMITED**EXPANSION PROJECT:-**

The implementation of expansion project as per Letter of Offer filed with SEBI is under progress and the Company is installing the 4th Denim Line of 10 Lakh mtr pa alongwith 15 mw power project. Out of proceeds of the Rights Issue of Rs.4554.90 Lacs, the Company utilized Rs.4281.12 Lacs for the project and balance of Rs.273.78 Lacs remain unutilized as of 31st March, 2009.

PUBLIC DEPOSIT:-

During the year under review, your Company has not accepted any deposits u/s 58A of the Companies Act, 1956.

COVERAGE OF ASSETS:-

The Company has reviewed the Adequate Insurance Cover for the existing Plant & Machinery, Building, Stock, etc. considering the various risk factors attached to the assets and insured the assets to take care of the unforeseen circumstances to safeguard the interest of the company.

CORPORATE GOVERNANCE:-

A Certificate from Auditors of the Company, M/s. J T Shah & Co, Chartered Accountants confirming compliance with conditions of corporate governance as stipulated under the aforesaid clause 49 is annexed to this report. Further, a certificate of CEO and declaration on code of conduct also forms part of this Annual Report.

The Company has adopted Corporate Governance Policy and Code of Conduct which has set out the system process and policy confirming to standards. The Report on Corporate Governance as stipulated under clause 49 of the Listing Agreement forms part of the Annual Report.

The management discussion and analysis report and compliance report on corporate governance as required by clause 49 of the listing agreement also forms part of this Annual Report

DIRECTORS:-

Shri Ambala C. Patel, Director who retires by rotation during the year under review, offers himself for reappointment. Your Directors recommend his reappointment.

PARTICULARS OF EMPLOYEES:-

Pursuant to the provisions of Section 217 (2A) of the Act, read with the Companies (Particulars of Employees) Rules, 1975 the names and other particulars of employees are set out in the Annexure to the Directors Report. However, having regard to the provisions of section 219(1)(b)(iv) of the Act , the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the Registered Office of the Company.

DIRECTORS RESPONSIBILITY:-

Pursuant to Section 217(2AA) of the Companies Act 1956 and based on the information received from the Management and after due enquiry, your Directors state that;

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on that date;
- c) Proper and sufficient care has taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts of the Company have been prepared on a going concern basis.



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AUDITORS:-

M/s. J.T. Shah & Co, Chartered Accountants, the Auditors of the Company, hold office up to the conclusion of the ensuing Annual General Meeting of the Company and have given their consent for re-appointment. The shareholders will be required to elect auditors for the current year and fix their remuneration. Your Company has received a written confirmation from M/s. J.T. Shah & Co, Chartered Accountants, to the effect that their appointment, if made would be in conformity with the limits prescribed in Section 224 of the Companies Act, 1956. The Board recommends the re-appointment of M/s. J.T. Shah & Co, Chartered Accountants, as the Auditors of the Company for the current financial year 2009-10.

GROUP:

Pursuant to intimation received from the Promoters, and names of the Promoters and entities comprising group as defined under the monopolies and restrictive trade practices (MRTP) Act 1969 are disclosed in the Annual Report for the purpose of the SEBI (Substantial Acquisition of Shares and takeovers), Regulations, 1997.

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

The particulars as required under section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in Annexure to this report.

ACKNOWLEDGMENT:-

Your Directors record that sincere gratitude for their valuable support and co-operation received from the Banks, Shareholders, business associates, customers, vendors and various statutory authorities. Your Directors place on record their sincere appreciation for the contribution made by the employees of the Company at all levels through their hard work, dedication and support.

FOR AND ON BEHALF OF THE BOARD

Place :- Ahmedabad
Date :- 31/07/2009

VEDPRAKASH D. CHIRIPAL
CHAIRMAN

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE-1

Particulars pursuant to Section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Report of the Directors.

A. CONSERVATION OF ENERGY:

Energy conversion measures taken :

1. Got air audit conducted from Ingersol Rand for optimization of air generation n distribution, since compressed air is very expensive. This has resulted in identification of some of the in efficiency in dryer, resulting in more presser drop, which was corrected apart from other corrective measures suggested in the report resulting in saving of about 2000 unit per day in the last qtr of the year.
2. We started use of small low pressure separate compressor for cleaning of m/cs and provided separate line in all the production department so the use of costlier compressed air was avoided apart from frequent pressure drop.
3. Installed variable frequency drive on ID fan , FD Fan ,waste collection system and on compressor of spinning for reducing the power consumption.
4. We had installed 250 KVAR capacitor for improvement of power factor, now the power factor is 0.98 as against 0.96 earlier.
5. Started use of high lumen type fitting in place of convectional type fitting for getting more light and less power consumption.
6. Installed enrgy efficient pump in place of old conventional pump on cooling tower, Pump house and borewell.

Water conservation Measures taken:

Started use of finishing recycled water of about 50K liter per day in dyeing sizing which has reduced corresponding use of fresh water. We had also started using effluent water for water scrubber in boiler which not only reduce PH but also improve life of water scrubber aprt from reducing consumption of fresh water

Additional investments and proposals, if any, being implemented for reduction of consumption of energy

Procuring one more 6500 CFM centrifugal high capacity air compressor for standby in place of exciting stand by less capacity compressors

Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the costly of production of goods:

Power saving to the tune of Rs 3 lacs PM Saving of fuel of about 2 MT per day

[b] Additional investments and proposals, if any, being implemented for reduction of consumption of energy:-

To install variable frequency drive in ID fan & FD fan to reduce power consumption.

[c] Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the costly of production of goods:-

1. The Power consumption reduced to the tune of 4000-4500 KWh/Day.
2. Lignite consumption reduced to 2 - 2.2 MT/Day



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[d] Total Energy Consumption and energy consumption per Unit of Production.

I. POWER & FUEL CONSUMPTION:

Power and Fuel Consumption:	31.03.2009	31.03.2008
1. Electricity		
a) Purchased		
Unit (kwh)	39692520	32320860
Total Amount	178591482	119655719
Rate / Unit (Rs.)	4.50	3.70
b) Own Generation:		
i. Through Diesel Generator		
Unit (kwh)	NIL	NIL
Unit per Ltr of Diesel Oil	NIL	NIL
Cost / Unit (Rs.)	NIL	NIL
ii. Through Steam Turbine /Generator		
Unit (kwh)	NIL	NIL
Units per Ltr of Fuel Oil / Gas	NIL	NIL
Cost / Unit (Rs.)	NIL	NIL
2. LIGNITE		
Quantity (Tones) / Day	36.27	25.08
Total Cost (Rs.)	28467000	15614651
Average Rate (Rs.)	2150.32	2050.62
3. COAL		
Quantity (Tones) / Day	21.30	3.30
Total Cost (Rs.)	31541716	3231756
Average Rate (Rs.)	4056.70	2683.96
4. Furnace Oil (Used in the Generation of Steam)		
Quantity (K. Liters)	NIL	NIL
Total Amount (Rs.Lakhs)	NIL	NIL
Average Rate (Rs.)	NIL	NIL
5. Others LSHS (Low Sulphur High Stock) (Used in the Generation of Steam)		
Quantity (Tones)	NIL	NIL
Total Cost (Rs.Lakhs)	NIL	NIL
Rate / Unit (Rs.)	NIL	NIL

II CONSUMPTION PER METER OF PRODUCTION:

	31.03.2009	31.03.2008
Electricity (KWH) Per Meter	0.78	0.98
Furnace Oil	NIL	NIL
Coal (Specified Quality)	0.24	0.05
LIGNITE (KG) Per Meter	0.41	0.29

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**B. TECHNOLOGY****RESEARCH AND DEVELOPMENT (R & D)****Specific area in which R & D is carried out by the company.**

- A) The company has focused on developing various kind of new product to cater different market segments and specific customer needs viz dyed cotton/polyester yarn, milang yarn, golden/silver lurex yarn in weft by using Tax Cad Design software. The research and optimization of process parameters like shade control, weaving defect control and shrinkage control were carried out apart from reduction in waste.
- B) Started using sulphur black liquid in tankers instead of carbo packing and caustic lye instead of caustic flakes.
- C) The company has implemented SAP System which has enabled the company to have accurate and faster online availability of all data and optimum use of information by faster analysis and online availability
- D) The company has further added in the capacity of its spinning plant by 15 MT per day making total capacity to 40 MT per day enabling the company to reduce the dependence on outside supplier in faster availability of required yarn.

Benefits derived as a result of the above R & D

1. The Company can create many designs and concepts without any major investments, without affecting the regular production and without wastages.
2. The Company can deliver the new samples very fast to their customers.
3. Able to match the customer samples immediately and deliver to them for their approval.
4. We have developed 931 products in last year and out of which 840 were commercialized. This has resulted in getting valued customers not only in domestic market but also in International Market too.
5. Optimization of Process parameters in areas like dyeing and sizing, weaving and finishing yielded good results. By doing this process control the consistency of shade, weaving defects and shrinkage particularly in stretch fabric has been improved. By waste control exercise we were able to reduce about 1% waste leading to yearly saving of Rs. 18-20 lac.

Future plan of Action

1. Also the Company is planning for various coating m/c manufacture to get the coating machine. By using this coating technique we can develop many coated fabric like PU, Pigment coating, Matrices finish etc.
2. Addition of one more slasher dyeing machine to increase the denim capacity from 30 million mtrs to 40 million mtrs
3. To increase the spinning capacity by adding 10000 spindles additionally. Also company is discussing with various slub attachment manufacture to get slub attachment to produce Multi count/Multi twist, Inject slub, Reverse slub, Short slubs and High frequency slubs. By producing various slub yarn we can make variety of new fabrics

II. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**Efforts made towards Technology, Absorption, Adaptation and Innovation:-**

The company in consultation with suppliers has taken various trial for increasing the RPM of Looms by some minor change and modification in the setting of looms parameters and finally able to increase the running RPM of looms to its designed RPM which will result in increase in productivity of looms by 7-8%.

The company has purchased latest testing equipment like Afis for cotton and in process testing of spinning for getting consistency in the quality of cotton and in process parameters of spinning.

Benefits derived:

Able to keep consistency in the feed of cotton and in process parameters of spinning so as to ensure consistency in the yarn quality in looms performances

With increase in running RPM and with inbuilt invertors in the looms company can run the looms at its optimum speed with changes in speed as per product requirement without waste of time.

Future Plan of Action.

The Company is planning to introduce Pigment bottoming colour denim in the market

Study of all process parameters, work habits, maintenance practices etc with an aim to achieve breakdown in down time, on job training of employees for updating and up gradation of their skill, multi skill development for improving the knowledge, quality and efficiency of employees.

IV. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- a. The Company has taken various steps to increase exports of products during the year.

- b. Foreign exchange earning and outgo during the year:

(Rs. in Crs.)

Particular	31.03.2009	31.03.2008
(a) Foreign Exchange Earnings:	59.78	49.24
(b) Foreign Exchange Outgo:	4.20	2.91

Total Foreign Exchange Used and earned: - As per notes on account.



MANAGEMENT'S DISCUSSION AND ANALYSIS

Industrial Outlook

The Textile and Apparel Industry contribution significantly to the Indian economy. It accounts for 14 per cent of total industry output and nearly 5 percent of gross domestic product (GDP). It provides direct employment to 38 million people and is the largest foreign exchange earner, contributing nearly 20 per cent to India's total exports.

In the last three years, the sector has attracted a total investment of US\$ 5,770 million. The cumulative Foreign Direct Investment (FDI) made in this sector between 1991 and 2007 has been US\$ 575 million, representing 1.22 per cent of the total FDI attracted by the country.

The global textile and apparel Industry is worth over US\$ 4,395 billion, with clothing accounting for 60 per cent of the market and apparel, the balance 40 per cent. Global trade in this industry is now at US\$ 350 billion and is expected to be in the range of US\$ 600 billion by 2011 and US\$ 800 billion by 2014. The bulk of the increase is expected to be from clothing, which is projected to grow by nearly US\$ 400 billion by 2010.

USA and European Union (EU) together are the major consumers of textiles. They accounted for nearly 64 per cent of clothing and 39 per cent of textile consumption in 2004. Among other countries, Japan, Australia and New Zealand are significant consumers of Indian textiles.

The industry has been growing across segments

Production of textile yarn witnessed a compounded annual growth rate (CAGR) of 3.6 per cent between 1996 and 2006. Finished cloth has witnessed a higher CAGR of 4.1 per cent during the same period. This growth outperforms the global production, which experienced a CAGR of 2.25 per cent (both yarn and cloth). Most of this growth is contributed by non-cotton yarn, which grew at 6 per cent CAGR in 2006.

Textile exports have witnessed a CAGR of 11.8 per cent in 1996-2006. Man-made textiles have shown maximum growth and witnessed the highest CAGR at 14.5 per cent followed by Ready-Made Garments (RMG) at 12.4 per cent. USA and EU are the major markets contributing nearly 80 per cent to textile exports.

Export of textile is projected to grow at 2.2 per cent between 2007 and 2012 and expected to reach US\$ 55 billion by 2012.

Operational Review:

Denim Industry over-all remained in down stream, which evidence challenges during the year under review. There was a steep competition among Denim players to achieve the growth at every cost despite of increased in raw material cost, huge inflow of supply, decrease in demand, both – domestic and international market and low margin. The increase in the cost effected over-all price, which was not compensated by average realization price in such recessionary condition. The Company however made a strategy to cop up with such challenges by taking measures. The Company targeted new area of Denim users and developed new market where the presence of Denim was negligible. Further, the Company into value added product of garmenting by entering into ready-made markets of garmenting through its retail outlets of associate company. The Company made a strategy plan for optimum utilization of its capacity by achieving highest utilization of fabric manufacturing by increasing the volume to get better realization. The Company also developed new area of exports market with volume as the Company and its entire group is in textile business for more than three decades having wide valued customer in domestic and international market.

Financial Review:

To cop up with market, the Company envisaged expansion project, which includes increase in capacity, captive power project and value added segment of garmenting. The Company has made strategy to over-come the situation of recession by diversifying its activities into other new areas and retail branding to fight against such situation.

Internal Control System and their adequacy:

Your company has an adequate system of internal controls, which ensures that its assets are protected from loss and unauthorized use as well as business affairs are carried out in accordance with established internal controls. The internal control systems provide for clearly spelt out policy guidelines and approval procedures. These internal controls systems are supplemented by internal audit carried out by competent professional retained by your company. The internal audit programme is approved by the audit committee, and findings of the internal auditor are placed before the audit committee, and the management implements the suggestions on weaknesses, if any, observed during the course of the internal audit.

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During the year, your company has successfully implemented SAP Accounting System, which will further help exercise timely controls over variety of business activities. During the current year, your company plans to automate field force systems that will ensure precise reporting by the field personnel that in turn would enable timely decisions and corrective actions.

Human Resources:

The relationship with all employees and workers continued to be cordial at all levels. As on March 2009, your company had 715 employee strength contributing towards the success of the company. The Company has a small but highly experienced team of professionals as on March 31, 2009. The Company believes that it will manage to achieve substantial growth with a lean organization structure.

Financial Performance:

During the year, the Company has achieved the turn over of Rs.321.44 crores for the year ended on 31st March, 2009 in comparison to the previous year turn over of Rs.289.11 crores, which shows a rise of 11.% over the previous year. The gross block of assets of the Company as at 2009 was Rs.254 crores and the Net Worth was Rs.201 crores. The net loss of the Company during the year was Rs.1.40 crore . The Company has during the year under review had made the provisions for the loss of Rs.11.16 crores due to fire in the stock.

Risk Management:

Your Company foresees high level of risk from competitors, fluctuation in foreign exchange rate, interest rate and other commercial and business related risk, which may affect the over-all profit of the Company. The structure of the Company is designed in such a way to over come such risks.

Cautionary Statement:

Statements in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, expectations or predictions may be "forward – looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price condition in the domestic markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.